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Proposed Attorneys for Debtors and Debtors-in-Possession

UNITED STATES BANKRUPTCY COURT
DISTRICT OF NEVADA

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED FUND, LLC,
 Debtor.

Jointly Administered Under
Case No. BK-S-06-10725 LBR

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

In re:
 USA SECURITIES, LLC,
 Debtor.

Affects:
☒ All Debtors
☐ USA Commercial Mortgage Company
☐ USA Securities, LLC
☐ USA Capital Realty Advisors, LLC
☐ USA Capital Diversified Trust Deed Fund, LLC
☐ USA First Trust Deed Fund, LLC

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NOTICE OF SECTION 341 MEETING DATES AND HEARINGS REGARDING: 1) SECTION 341 MEETING (AFFECTS ALL DEBTORS); 2) MOTION FOR ORDER AUTHORIZING THE RETURN TO INVESTORS OF CERTAIN ESCROWED FUNDS INTENDED FOR THE BUNDY CANYON PROJECT (AFFECTS ONLY USA COMMERCIAL MORTGAGE COMPANY); 3) DEBTORS' MOTION TO TEMPORARILY HOLD FUNDS PENDING A DETERMINATION OF THE PROPER RECIPIENTS, AND MEMORANDUM OF POINTS AND AUTHORITIES (AFFECTS ALL DEBTORS); 4) MOTION FOR ORDER AUTHORIZING REIMBURSEMENT OF DUE DILIGENCE EXPENSES OF POTENTIAL POSTPETITION LENDER (AFFECTS ALL DEBTORS); 5) MOTION AUTHORIZING DEBTOR, PURSUANT TO 11 U.S.C. § 105 AND § 363(B)(1), TO ACCEPT LOAN PAYMENT PROCEEDS AND PROVIDE PARTIAL RELEASES OR FULL RELEASES IN CONNECTION WITH THE SALE OF PROPERTIES SECURING LOANS ORIGINATED BY THE DEBTOR TO THIRD-PARTY BORROWERS, AND TO RATIFY PARTIAL RELEASES PREVIOUSLY PROVIDED BY THE DEBTOR (AFFECTS ONLY USA COMMERCIAL MORTGAGE COMPANY); AND 6) APPLICATION FOR AN ORDER AUTHORIZING THE EMPLOYMENT OF HILCO REAL ESTATE LLC/HILCO REAL ESTATE APPRAISAL, LLC AS DEBTORS' REAL ESTATE APPRAISER (AFFECTS ALL DEBTORS).

NOTICE IS HEREBY GIVEN that the United States Trustee has set a continued Section 341 Meeting and the Debtors have filed certain motions as set forth:

1. **Section 341 Meeting.** The Section 341 Meeting affects all Debtors. The Section 341 Meeting set for May 17, 2006 at 1:00 p.m. will go forward and be held. Creditors are welcome, but not required to attend. Because schedules will not be filed until on or before June 15, 2006, a continued Section 341 Meeting will be held **on July 12, 2006 at 9:30 a.m. at 300 Las Vegas Boulevard South, Room 1500**, Las Vegas, Nevada 89101. As previously stated, creditors are welcome, but are not required to attend.

2. **Motion For Order Authorizing The Return To Investors Of Certain Escrowed Funds Intended For The Bundy Canyon Project** (the "Bundy Motion"). The Bundy Motion requests an Order granting USA Commercial Mortgage Company ("USACM") the authority to promptly return to investors in the Bundy Canyon Project the funds that are being held by a title company in an escrow account. **The Bundy Motion will be heard on May 18, 2006 at 9:30 a.m.**

3. **Debtors' Motion To Temporarily Hold Funds Pending A Determination Of The Proper Recipients, And Memorandum Of Points And Authorities** (the "Hold Funds Motion"). The Hold Funds Motion requests an Order granting USACM the authority to continue to collect and hold payments and loan payoffs pending the prompt investigation and analysis by

the Debtors of various issues as set forth in this motion. **The Hold Funds Motion will be heard on June 5, 2006 at 9:30 a.m.**

4. **Motion For Order Authorizing Reimbursement Of Due Diligence Expenses Of Potential Postpetition Lender** (the "DIP Motion"). The DIP Motion requests an Order granting the Debtors authority to pay to Fortress Credit Corp. ("Fortress") a deposit in the amount of \$150,000 to be used solely to reimburse Fortress for expenses incurred or anticipated to be incurred in connection with due diligence review of potential debtor-in-possession financing. **This DIP Motion will be heard on May 18, 2006 at 9:30 a.m.**

5. **Motion Authorizing Debtor, Pursuant To 11 U.S.C. § 105 and § 363(b)(1), To Accept Loan Payment Proceeds And Provide Partial Releases Or Full Releases In Connection With The Sale Of Properties Securing Loans Originated By The Debtor To Third-Party Borrowers, And To Ratify Partial Releases Previously Provided By The Debtor** (the "Ordinary Course Motion"). The Ordinary Course Motion requests an Order authorizing USACM to accept loan payment proceeds and provide partial releases or full releases in connection with the sale of properties securing loans originated by the debtor to third-party borrowers, and to ratify partial releases previously provided by the debtor postpetition. **This Ordinary Course Motion will be heard on May 18, 2006 at 9:30 a.m.**

6. **Application for an Order Authorizing The Employment Of Hilco Real Estate LLC/Hilco Real Estate Appraisal, LLC As Debtors' Real Estate Appraiser** (the "Application"). The Application seeks to employ Hilco Real Estate, LLC and Hilco Real Estate Appraisal, LLC (collectively referred to as "Hilco") to provide real estate appraising and related services. **This Application will be heard on June 5, 2006 at 9:30 a.m.**

Any Opposition to any of the above motions or application must be filed pursuant to Local Rule 9014(e)(1).

Local Rule 9014(e)(1): "Except for motions made pursuant to Fed.R.Bank.P. 7056 and LR 7056, an opposition to a motion must be filed and service completed upon the movant not more than fifteen (15) days after service of the motion, *(eighteen (18) days if service of the motion is by mail pursuant to FRBP 9006(e) and (f))*, but in no event later than five (5) business days before the date set for the hearing so that the movant receives the opposition

no less than five (5) business days before the hearing date or within the time otherwise fixed by the court. The opposition must set forth all relevant facts and must contain a legal memorandum. An opposition may be supported by affidavits or declarations that conform to the provisions of subsection (d) of this rule."

A copy of the Motions and the Application may be obtained by accessing BMC Group, Inc.'s website at www.Bmcgroup.com/usacmc, by accessing PACER through the United States Bankruptcy Court website for Nevada at www.nvb.uscourts.gov, or by contacting the office of the Debtor's counsel, Ray Quinney & Nebeker P.C., telephone: (801) 532-1500 or fax: (801) 532-7543.

If an objection is not timely filed and served, the relief requested may be granted without a hearing. *LR 9014(a)(1) and LR 9014(c)(1)(E)*.

NOTICE IS FURTHER GIVEN that the hearings may be continued without further notice.

NOTICE IS FURTHER GIVEN that unless otherwise indicated herein, the hearings will be held before a United States Bankruptcy Judge, in the Foley Federal Building, 300 Las Vegas Boulevard South, Courtroom 3, Las Vegas, Nevada on the dates and times indicated herein.

Respectfully submitted on May 8, 2006.

/s/ Jeanette E. McPherson

Lenard E. Schwartz, Esq.

Jeanette E. McPherson, Esq.

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